

COMFORTDELGRO'S RESULTS FOR SECOND QUARTER ENDED 30 JUNE 2016

- **Revenue decreased by 1.4% to \$1.022 billion for the quarter.**
 - **While revenue actually increased by \$3.1 million, this was eroded by a negative foreign currency translation effect of \$18.0 million.**
- **Group operating costs decreased by 1.8% to \$899.4 million, as an actual \$1.0 million drop in operating cost was aided by a favourable foreign currency translation effect of \$15.9 million.**
- **Net profit increased by 5.3% to \$85.2 million.**

Singapore, 12 August 2016 – ComfortDelGro Corporation today announced its unaudited results for the second quarter ended 30 June 2016.

Highlights:

	Q2 2016 (\$m)	Q2 2015 (\$m)	% change	1H2016 (\$m)	1H2015 (\$m)	% change
Revenue	1,022.3	1,037.2	-1.4	2,017.9	2,000.7	0.9
Operating Profit	122.9	120.9	1.7	232.3	224.0	3.7
Net Profit Attributable to Shareholders	85.2	80.9	5.3	158.6	148.5	6.8
EBITDA	220.0	216.9	1.4	425.4	411.7	3.3
EPS (Based on existing share capital) - cents	3.96	3.77	5.0	7.37	6.93	6.3

Note: All figures in Singapore dollars

Group

ComfortDelGro Corporation's second quarter revenue decreased by \$14.9 million or 1.4% to \$1.022 billion due mainly to an unfavourable foreign currency translation effect. Actual revenue increased by \$3.1 million during the quarter but this was eroded by a negative \$18.0 million foreign currency translation effect in which the weaker Sterling Pound accounted for \$13.0 million,



ComfortDelGro Corporation Limited
205 Braddell Road Singapore 579701
www.comfortdelgro.com
Co. Registration No.: 200300002K

the Australian Dollar accounted for \$2.9 million, the Chinese Renminbi accounted for \$2.0 million, and the Malaysian Ringgit accounted for \$0.1 million.

Group operating costs during the quarter fell by 1.8% or \$16.9 million to \$899.4 million as an actual drop in operating costs of \$1.0 million was aided by a positive foreign currency translation effect of \$15.9 million. The actual decrease of \$1.0 million was due to lower fuel and electricity costs, lower materials and consumables costs and lower payment for contract services offset by higher staff costs, repairs and maintenance and depreciation costs.

Group operating profit increased by 1.7% or \$2.0 million to \$122.9 million even though it was negatively impacted by an unfavourable currency translation of \$2.1 million

Finance costs of \$3.7 million decreased by 17.8% due mainly to lower interest expense in Australia with the repayment of borrowings.

Net profit attributable to shareholders increased by 5.3% to \$85.2 million during the quarter.

For the half-year ended 30 June 2016, Group revenue increased by 0.9% to \$2.018 billion while net profit attributable to shareholders grew by 6.8% to \$158.6 million.

ComfortDelGro Managing Director and Group Chief Executive Officer, Mr Kua Hong Pak, said: "Even while uncertainties continue to persist in the countries we operate in, we will work at seeking suitable investment opportunities to sustain our long term growth."

Operations Review

- Bus:

At Group level, revenue from the bus business decreased by 4.6% to \$513.5 million due to an unfavourable currency translation of \$14.2 million from the weaker Sterling Pound and Australian Dollar, as well as the absence of special charter events in Singapore.

- Taxi:

At Group level, revenue for the taxi business increased by 2.8% to \$340.2 million, with actual revenue growth of \$12.6 million partially eroded by a negative foreign currency translation effect of \$3.2 million from the weaker Sterling Pound, Chinese Renminbi and Australian Dollar.

- Rail:

Revenue for the rail business increased by 24.5% to \$65.1 million. Average daily ridership for the North East Line increased by 6.0% to 558,000, the Downtown Line by 204.8% to 212,000 and the Punggol and Sengkang LRTs by 15.2% to 112,000.

- Inspection and Testing Services:

Revenue for the inspection and testing business decreased by 5.3% to \$26.9 million due to lower business volumes.

Dividend

A tax-exempt one-tier interim dividend of 4.25 cents per ordinary share has been declared.

Commentary

Bus revenue in Singapore is expected to be maintained. The Singapore bus business under SBS Transit has entered in the Negotiated Contract with the Land Transport Authority for the operation of public bus services under the Bus Contracting Model (BCM) with effect from 1 September 2016. Under the BCM, the bus revenue will comprise a service fee for the provision of bus services and revenue from advertising and rental. In addition, the LTA will pay SBS Transit a leasing fee for the use of its existing fleet based on the depreciation of the buses over the statutory lifespan.

Revenue from the Australia bus business is expected to be maintained while revenue from the UK bus business is expected to decrease with the weaker Sterling Pound.

Revenue from the rail business is expected to increase with higher ridership from Downtown Line 2.

Revenue from the bus station business in Guangzhou is expected to be lower with increasing competition from the expanding high speed rail network.

Revenue from the taxi business is expected to be maintained.

Revenue from the automotive engineering services business is expected to be lower as the price of diesel sold to our taxi drivers is expected to remain low.

Revenue from the driving centre business is expected to be maintained.

Revenue from the inspection and testing services business is expected to be lower.

Revenue from the car rental and leasing business is expected to be maintained.

Costs, in particular staff costs, are expected to be higher.

Background

ComfortDelGro is one of the world's largest land transport companies with a total fleet size of about 46,000 buses, taxis and rental vehicles. It operates in seven countries - Singapore, China, the United Kingdom, Ireland, Australia, Vietnam and Malaysia – giving it the broadest footprint amongst its international peers.